

The background of the cover is a vibrant green color, overlaid with a repeating pattern of small, light-green icons representing various organic products. These icons include fruits like strawberries, raspberries, and cherries; vegetables like mushrooms, tomatoes, and leafy greens; and animal products like cows, sheep, chickens, and fish. The icons are arranged in a grid-like fashion, creating a textured, agricultural feel.

ORGANIC IN EUROPE

.....
PROSPECTS & DEVELOPMENTS
FOR ORGANIC IN NATIONAL
CAP STRATEGIC PLANS
.....

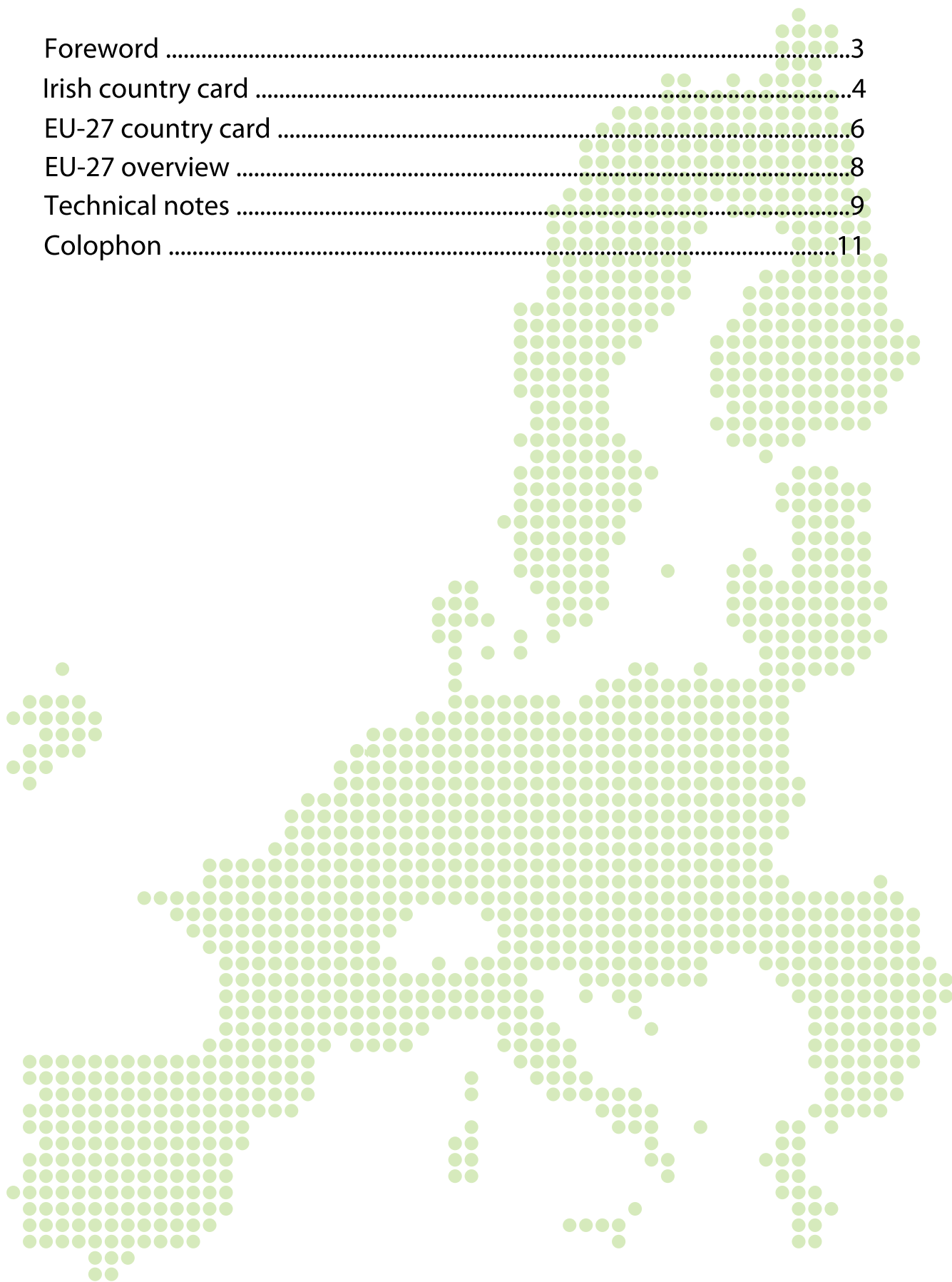
IRELAND



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..... #ORGANICINEUROPE

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PROSPECTS & DEVELOPMENTS FOR ORGANIC IN NATIONAL CAP STRATEGIC PLANS



..... #ORGANICINEUROPE

'Organic in Europe - Prospects and developments for organic in national CAP Strategic Plans' highlights how much of the national CAP budgets will need to be dedicated to organic farming in all Member States to reach the EU Farm to Fork and Biodiversity Strategies' average target of 25% organic land by 2030.

IFOAM Organics Europe presented this study at its General Assembly on 29 June 2021. The study visualises the efforts every country needs to put into place to reach their potential national targets, which should fairly contribute to the EU average 25% target.

In 2019, Europe had an organic land area of 9%, with average payments rates of €213.15/hectare. Only 64% of the certified organic area is currently receiving organic support payments, amounting to almost €2 billion of CAP support/year (Note: Average payment rate, percentage of certified area supported, and total spend are 2018 data).

Achieving 25% organic land in the EU by 2030 would require the EU to:

- Triple its organic land area between 2019 and 2030;
- Increase its overall CAP expenditure 3-5-fold by 2030;
- Dedicate 9-15% of the CAP budget to organic (instead of 3% as in 2018).

Achieving 25% organic land in the EU by 2030 would require Member States to:

- Increase payment rates per hectare before 2030 – to consider increases in costs since payments rates were last set in 2014;
- Some individual countries with low levels of support for organic farming would need to consider a 5-10-fold increase in expenditure to deliver realistic targets for their national organic land area.

According to IFOAM Organics Europe, Member States should introduce a national target for organic land in their CAP Strategic Plan, based on an analysis of the organic sector's production needs, and of its contribution to the CAP, EU Green Deal, Farm to Fork and Biodiversity strategies' objectives. The Commission should ensure that all CAP Strategic Plans include a target for organic land representing a fair contribution to the EU's 25% target. Countries have different baselines and should have different targets, and Member States with already more than 25% organic land should also continue to develop organic farming. This is in line with the EU Organic Action Plan's call for all Member States to set a target and national strategic plan for developing their organic sectors.

The document is commissioned from an independent researcher and provides readers with an overview for the EU and each Member State. On 27, and an EU country card, the following information is available:

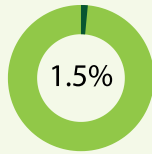
- Key indicators of production, market, and CAP support;
- Scenarios for CAP expenditure and their effect on the 2030 organic area;
- An overview of the current CAP support payments;
- Information about a national organic action plan; and
- Other policy support measures impacting the organic land area.

'Prospects & developments for organic in national CAP Strategic Plans' and individual country cards are available on <https://www.organicseurope.bio/library>.



KEY INDICATORS 2019

PRODUCTION



73,952 ha
organic agricultural land
0.05% of EU agricultural land



1,725 organic producers
on average farms of 42.9 ha



4,319 ha (0.9%)¹

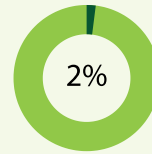


64 ha (3.8%)¹



69,323 ha (1.6%)¹

MARKET



€206 million
retail sales
€43 per capita



26 organic processors

CAP SUPPORT (2018)²



72,000 ha supported
97.3% of certified area
at average of 111 €/ha/year



8 M€/year expenditure

2030 SCENARIOS FOR CAP EXPENDITURE² & ORGANIC AREA

	National organic area share	Average annual growth	Organic area (kha)		CAP expenditure (M€/year)			
			Certified	Supported by the CAP	2018 rates	2018 rates + 25% ³	If 100% certified area supported ³	If 100% certified area supported at EU 2018 rate
2014-2019	1.5%	8.5%	74	72	8	10	10	16
LINEAR⁴	2.3%	4.9%	114	111	12	15	16	24
POTENTIAL⁵	12.0%	63.0%	586	570	63	79	81 ⁶	125 ⁶
ENHANCED⁷	14.2%	76.0%	692	673	75	94	96	148

In 2018, conversion/maintenance support was paid on 97.3% certified area at 111 €/ha/year average. Based on these scenarios, a 12% by 2030 target is challenging, and would require 10 times current expenditure. If achieved, this would contribute 0.37% to the EU target of 25% by 2030.

¹ Share of national total for category

² CAP support for organic conversion and maintenance, including national co-financing

³ These values are further explained in the technical note that is available on www.organicseurope.bio

⁴ Linear trend growth continuing on 2014-2019 basis

⁵ Target proposed by national organic movement, national official target 7.5% by 2027





⁶ Current payment rates are almost 50% below EU average. CAP expenditure based on EU average

⁷ Enhanced target needed to reach EU 25% target



CURRENT CAP, NATIONAL POLICY SUPPORT & ACTIONS NEEDED

CAP SUPPORT PAYMENTS (IN €/HA/YEAR)

					ACTIONS NEEDED
CONVERSION	60-260	60-300	60-300	60-220	Ensure conversion costs fully recognised
MAINTENANCE	30-170	30-200	30-200	30-170	Increase funding levels to reflect the full costs of organic production
CONVERSION AS % OF MAINTENANCE	150-200%	150-200%	150-200%	130-200%	




DRAFT PLANS FOR CAP 2023-2027 ORGANIC SUPPORT TO BE...

Proposed to maintain and enhance organic farming support under Pillar 2, but no budget allocated to date.

Budget aligned to national area target

Organic farms should have priority access to agri-environment and eco-schemes to support environmental and climate objectives that go beyond the scope of the organic regulations. CAP funds should be adequately deployed to support organic specific advice and training, infrastructural investments and market development and promotion.

NATIONAL ORGANIC ACTION PLAN

- 2019-2025
- Targets by 2025:
 -  Increase of national area
 -  Increased organic market
 -  Progress towards achieving targets: Behind target
- No specific future plans. Need for action plan with 2030 targets

OTHER POLICY SUPPORT

COMBINATION WITH OTHER AGRI-ENVI MEASURES

Current context

Combinations with many agri-environmental options possible, but some restrictions

Action needed

Improve/develop combinations/specific options for organic farms to benefit from synergies

SUPPORT INVESTMENTS, MARKET DEVELOPMENT & PROMOTION

Capital investment scheme and some national funding for processing investment and market development

Maintain/develop support options to promote organic market development

SUPPORT FOR ADVICE, TRAINING, INNOVATION & RESEARCH

Limited provision of funded advice and training

Maintain/develop support options to promote knowledge and innovation

LEGEND



Annual crops



Horticulture crops



Permanent crops



Grassland



Production



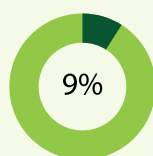
Organic market





KEY INDICATORS 2019

PRODUCTION



14,120,629 ha
organic agricultural land



340,277 organic producers
on average farms of 41.5 ha



6,439,751 ha (6.6%)¹

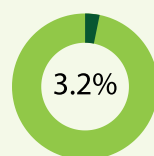


1,561,271 ha (14.9%)¹



6,050,165 ha 12.4%)¹

MARKET



€38,774 million
retail sales
€87 per capita



75,674 organic processors

CAP SUPPORT (2018)²



8,450,000 ha supported
64.3% of certified area
at average of 213 €/ha/year



1,803 M€/year expenditure

2030 SCENARIOS FOR CAP EXPENDITURE² & ORGANIC AREA

	Organic area share	Average annual growth	Organic area (kha)		CAP expenditure (M€/year)		
			Certified	Supported by the CAP	2018 rates	2018 rates + 25% ³	If 100% certified area supported ³
2014-2019	9.0%	8.6%	14,121	9,094	1,932	2,415	3,797
LINEAR TREND⁴	15.0%	6.0%	23,503	15,017	3,278	4,097	6,482
NATIONAL TARGETS⁵	21.2%	12.3%	33,220	20,962	4,405	5,506	8,817
ENHANCED⁶	25.0%	16.1%	39,165	24,713	5,193	6,491	10,394

In 2018, conversion/maintenance support was paid on 64.0% certified area at 213.15 €/ha/year average. Based on these scenarios, a 25% by 2030 target is challenging but achievable, and would require a 3-5 fold increase in expenditure. If achieved, the current national targets would contribute 21.21% to the EU target of 25% by 2030.

¹ Share of national total for category

² CAP support for organic conversion and maintenance, including national co-financing

³ These values are further explained in the technical note that is available on www.organicseurope.bio

⁴ Linear trend growth continuing on 2014-2019 basis





⁵ EU outcome based on current national targets

⁶ Enhanced national targets needed to reach EU 25% target



CURRENT CAP, NATIONAL POLICY SUPPORT & ACTIONS NEEDED

CAP SUPPORT PAYMENTS (IN €/HA/YEAR)

					ACTIONS NEEDED
CONVERSION	0-1,209	0-6,000	0-2,855	0-600	Ensure conversion costs fully recognised
MAINTENANCE	0-853	0-3,800	0-2,855	0-450	Focus on provision of public goods
CONVERSION AS % OF MAINTENANCE	100-478%	100-300%	100-128%	100-465%	Reduce focus on premium prices as a reward for marketing activities
DRAFT PLANS FOR CAP 2023-2027 ORGANIC SUPPORT TO BE...	Increased by Member States, funded as Pillar 1 eco-schemes and/or Pillar 2 agri-environment-climate measures (AECMs), to deliver 25% target, market and public goods.				

EU ORGANIC ACTION PLAN

- 2021-2027
- Target by 2030: 25% share of organic area
- Future plans: Encourage development of Member States' action plans, research to support future policies

OTHER POLICY SUPPORT

COMBINATION WITH OTHER AGRI-ENVI MEASURES

Current context

Mixed range of eligibilities - combinations may be required, possible, restricted or prohibited

Action needed

Ensure opportunities for enhanced public good delivery building on synergies with organic management

SUPPORT INVESTMENTS, MARKET DEVELOPMENT & PROMOTION

Good EU policy framework for investment, procurement and promotion

Encourage Member States' adoption of support options for organic market development, consistent with EU action plan, improve market data availability

SUPPORT FOR ADVICE, TRAINING, INNOVATION & RESEARCH

Good framework for advice, training and EIP operational groups with focus on organic in Rural Development Plans, but patchy implementation by Member States

Encourage Member States' adoption of support options for knowledge and innovation, consistent with EU action plan

LEGEND



Annual crops



Horticulture crops



Permanent crops



Grassland



PROSPECTS & DEVELOPMENTS FOR ORGANIC IN NATIONAL CAP STRATEGIC PLANS EU-27 - OVERVIEW



Below table provides you with an overview of the prospects and developments for organic in national CAP Strategic Plans for the European Union as well as each Member State. On the left, you can find the current share of organic land, followed by the current (2018) CAP support. The numbers in columns 'Corresponding CAP expenditure' refer to the minimum (least ambitious) and maximum (most ambitious) amounts a country could allocate to achieving the national/organic movement and enhanced scenarios detailed on the following country cards.

	Organic area share	Current (2018) CAP support (M€/year)	Potential organic area share	Corresponding CAP expenditure (M€/year)	Enhanced organic area share	Corresponding CAP expenditure (M€/year)
EU-27	9.0%	1,803	21.1%	4,405/8,817	25.0%	5,193/10,394
AUSTRIA	25.1%	121	40%	202/313	47.2%	238/369
BELGIUM	6.9%	19	20.0%	59/82	23.6%	69/97
BULGARIA	2.6%	24	10.0%	84/199	11.8%	100/235
CROATIA	6.9%	33	15.0%	75/103	17.7%	89/121
CYPRUS	5.6%	4	10.0%	6.9/11.3	11.8%	8.1/13.3
CZECH REPUBLIC	15.7%	53	25.0%	88/113	29.5%	104/133
DENMARK	10.9%	41	25.0%	104/150	29.5%	123/178
ESTONIA	22.2%	18	30.0%	27/39	35.4%	31/46
FINLAND	14.0%	56	25.0%	104/141	29.5%	122/166
FRANCE	8.1%	180	25.0%	615/1,504	29.5%	726/1,776
GERMANY	9.7%	300	20.0%	704/1,091	23.6%	831/1,288
GREECE	11.6%	97	20.0%	179/444	23.6%	212/525
HUNGARY	6.5%	21	15.0%	72/163	17.7%	85/192
IRELAND	1.5%	8	12.0%	63/81	14.2%	75/96
ITALY	15.8%	386	35.0%	870/1,938	41.3%	1,027/2,289
LATVIA	15.0%	28	25.0%	48/64.5	29.5%	56.7/76.1
LITHUANIA	8.3%	36	15.0%	66/108	17.7%	78/127
LUXEMBOURG	4.5%	1.3	25.0%	7.2/10.5	29.5%	8.5/12.4
MALTA	0.5%	0.002	2.0%	0.01/0.10	2.4%	0.01/0.12
NETHERLANDS	3.8%	0	25.0%	76.6/119.6	29.5%	90.4/141.3
POLAND	3.5%	47	10.0%	140/249	11.8%	166/294
PORTUGAL	8.1%	25	15.0%	65/85	17.7%	77/100
ROMANIA	3.2%	42	10.0%	163/362	11.8%	192/428
SLOVAKIA	10.5%	17	18.0%	31/46	21.2%	36/54
SLOVENIA	10.2%	10	15.0%	15/19	17.7%	17/23
SPAIN	10.1%	159	25.0%	410/1,102	29.5%	484/1,302
SWEDEN	20.3%	75	35.0%	130/279	41.3%	154/330





KEY INDICATORS 2019

PRODUCTION AND MARKET

- The organic land area, the retail sales value (total and per capita) and operators number data (producers and processors) for 2019 are from FiBL data sets available on <https://statistics.fibl.org/europe.html>. These data are consistent in most cases with Eurostat data, with some exceptions (e.g. Germany);
- The breakdown by organic land use category (arable land, permanent crops, grassland) is from FiBL: <https://statistics.fibl.org/visualisation/crops.html>;
- The total agricultural land area (UAA) and breakdown by main land use type data for the % share calculations are from Eurostat <https://ec.europa.eu/eurostat/data/database>, but relate to 2016, the latest year for which data are currently available.

CAP SUPPORT

- The total support expenditure, share of certified area supported and average support per hectare values for each country and the EU-27 are 2018 data from a not yet published report compiled by the Thünen Institute.¹

2030 SCENARIOS FOR CAP EXPENDITURE² & ORGANIC AREA

THE COLUMNS

- National organic area share: This is the share of national agricultural area (Utilised Agricultural Area or UAA) farmed under organic principles. Values are actual for 2019 and estimations for 2030, determined as indicated below for each scenario;
- Annual average growth rates are calculated on the basis of the start and end values for each period, in the historic case 2014 and 2019, in subsequent scenarios 2019 and 2030. These values assume a constant growth percentage each year, although it is likely that over time these growth rates will diminish as the sectors grow larger.
- The linear trend values are estimated using linear regression analysis of the data for all years from 2014 to 2019, not only the start and end values, to forecast the outcome in 2030.
- Organic area (kha):
 - Certified: Initial 2019 data increased as appropriate for each scenario
 - Supported by the CAP: assuming same share of certified area receiving organic conversion and maintenance support as in 2018.¹
- CAP expenditure (million EUR):
 - Total annual expenditure (million EUR, 2018 average rates): Based on 2018 average payment per hectare data from Thünen Institute report,¹ multiplied by area supported. Values include both EU and national co-financing.
 - 2018 rates +25%: Expenditure if 25% increase in payment rates (million EUR): Assumes that the 2018 average payment per hectare are increased by 25%.
 - If 100% certified area supported: Assumes that the 2018 +25% average payment per hectare is applied to all certified area. In some countries unsupported land is permanent grassland where a lower rate of payment might be expected, so these values represent top end of range.



THE FOUR ROWS

- 2014-2019: it is the historic growth based on actual area data up to 2019, with 2019 expenditure estimated based on 2018 values (see Key indicators above).
- Linear trend: assumes that the growth from 2019 to 2030 will keep the same growth rate calculated using linear regression analysis as achieved in 2014-2019.
- Feasible: These scenarios are proposed on the basis of either:
 - Official targets in national action plans or CAP strategic plans,
 - Organic sector preferred targets as communicated by IFOAM Organics Europe's members,
 - Value suggested by the consultant on basis of current situation and scenario results.
 - The origin of the targets varies from country to country, and it is explained in the footnotes.
- Enhanced: the organic land growth share needed to deliver the 25% EU target are based on pro rata increases to the Feasible growth values.

IN THE TEXT

The percentage points contribution to the EU target refers to the share of EU UAA that would be achieved, so a 1 percentage point contribution to the 25% target is 1% of EU UAA, not 1% of the target.

CURRENT CAP, NATIONAL POLICY SUPPORT & ACTIONS NEEDED

CAP SUPPORT PAYMENTS (IN €/HA/YEAR)

- Conversion & Maintenance: Data on organic conversion and maintenance payment rates for different land use types are for 2019 (reflecting the 2015-2020 rural development programmes) and sourced from the Thünen Institute report.¹ Payment ranges reflect crop type, area and regional variations – full details are available in the report.
- Conversion as % of maintenance: this is the percentage value of conversion payments compared to maintenance payments, directly calculated from the two values above. Given payments are calculated on an income foregone basis, and conversion normally entails additional investment and restructuring costs, as well as lack of access to organic premium prices, conversion payments might be expected to be substantially higher than maintenance payments, at least for the first 2-3 years until full organic status is achieved.
- Plans for CAP 2021-2027 organic support to be...: Information on future CAP plans reflect responses to IFOAM Organic Europe's survey (April-May 2021) of its national member organisations.

NATIONAL ORGANIC ACTION PLAN

- Data on current national action plans is obtained from the Thünen Institute report.¹
- Information on future action plans reflect responses to IFOAM Organics Europe's 2021 survey of member organisations.

OTHER POLICY SUPPORT

- Assessments of other support policies (Current context and Actions needed) reflect the judgement of the consultant based on the Thünen Institute report.¹
- Information was integrated and validated by IFOAM Organics Europe's Council members.

1 Lampkin N and Sanders S (2021 in press) Organic support payments in the European Union. Thünen Working Paper. Braunschweig: Thünen Institute.

2 CAP support for organic conversion and maintenance, including national co-financing.



PROSPECTS & DEVELOPMENTS FOR ORGANIC IN NATIONAL CAP STRATEGIC PLANS COLOPHON



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IFOAM Organics Europe
Rue du Commerce 124, BE-1000 Brussels
+32 2 280 68 44
info@organicseurope.bio
www.organicseurope.bio & www.euorganic2030.bio
@OrganicsEurope on Twitter, Facebook, LinkedIn & YouTube

Production and market data: Research Institute of Organic Agriculture (FiBL)
Policy data and modelling: Nic Lampkin

Editors: Eva Berckmans, Eduardo Cuoco, Eric Gall
Lay-out: Eva Berckmans, Katarina Šeme
Production: Ilaria Barbonetti, Eva Berckmans, Gaëlle Cau, Francesca Lilliu, Verena Mitschke, Katarina Šeme
Production support: Léna Brisset, Bérénice Cau

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